12 AMPDC
Projects Completed
by March 1986

38 AMPDC
Projects in Development
Theatrical features,
TV programs & documentaries

Alberta second in
English-language indigenous
independent production

Alberta Motion Picture Development Corporation

Annual Report 1985-86

87-00494/

ALBERTA MOTION PICTURE DEVELOPMENT CORPORATION
1985-86 ANNUAL REPORT

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Letter to the Minister

The Honorable Mr. Larry R. Shaben
Minister of Economic Development and Trade
Edmonton, Alberta

Sir:

I have the honour to present to you, in accordance with the provisions of Section 9 of the Motion Picture Development Act, 1981, the fourth Annual Report of the Alberta Motion Picture Development Corporation (AMPDC) for the year ended March 31, 1986.

Yours truly,

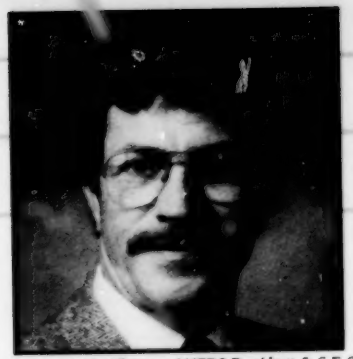
Orville Kope
Chairman of the Board
ALBERTA MOTION PICTURE DEVELOPMENT CORPORATION

Orville Kope, Chairman
AMPDC Board of Directors

1985-86

AMPDC Reports

President's Report



Lorne W. MacPherson AMPDC President & C.E.O.

Our previous Annual Reports dealt with each year's activities. In the 1985-86 AMPDC ANNUAL REPORT *we assess our progress since 1982 in "developing the Alberta motion picture industry."*

In 1985-86, the **ALBERTA MOTION PICTURE DEVELOPMENT CORPORATION** reports that the Alberta industry is making steady progress with **twelve completed AMPDC projects**, growing producer marketing skills and a higher industry profile internationally.

Alberta has been a leader in the development of an indigenous film-and-video industry, and the Alberta motion picture industry has a strong tradition of quality and success in non-theatrical films and videos.

Alberta Industry History

Filming in Alberta started as early as 1910.

Canada's first provincial film development officer *was appointed* in Alberta in 1972.

The Alberta Motion Picture Industries Association—AMPIA was formed in 1973.

The world's first international television festival *was held in Banff in 1979.*

After a 1978 industry-generated report, Alberta opened the first provincial development Corporation ALBERTA MOTION PICTURE DEVELOPMENT CORPORATION—in 1982.

From its inception in 1982, the goal of the ALBERTA MOTION PICTURE DEVELOPMENT CORPORATION **(AMPDC)** has been to build on this solid foundation and to increase production in other areas—particularly theatrical movies and television programming.

1985-86 Alberta Industry Highlights

In 1985-86 Alberta became the second largest province in total indigenous independent English-language production, *including features, television and non-theatrical programs.*

Alberta is third in "outside" productions—*that is, in volume of non-Albertan productions shooting in the province.*

In Edmonton, Calgary and smaller centres, Alberta has an estimated 1,000 people—including about 40 producers or production companies, and three distributors—working in the film/video-and-broadcast industry.

1985-86 AMPDC Highlights

To March 1986 AMPDC approved 58 development loans for 50 projects—*theatrical features, television programs & documentaries.*

The first twelve AMPDC assisted *projects were completed by 1986.*

In 1985, a protocol of agreement for the first inter-provincial co-production agreement *was signed between Alberta (AMPDC) and Quebec (SGCQ).*

AMPDC Future Goals and Activities

With a mandate to foster, promote and develop Alberta's independent film and television production, the ALBERTA MOTION PICTURE DEVELOPMENT CORPORATION—AMPDC—*is proud of its contribution to the indigenous industry's growth from 1982-86.*

AMPDC as "Bank"

The principle function of the Alberta Motion Picture Development Corporatioon will remain that of a lender to producers.

AMPDC expects more programs to be completed in the near future and an increasing number of loan repayments will follow.

Project Development and Promotion

Late in 1985, AMPDC's ability to develop and promote—projects, producers and the Alberta industry—was enhanced by the addition of a Vice-President, Project Development and Promotion.

New AMPDC V.P., C.V. (Caryl) Brandt, is an award-winning Alberta film-and-video producer/director, a publicist, and a feature/commercials production manager.

AMPDC/Industry Assessment

During 1986-87, AMPDC will work formally with industry and government to review what areas of the Alberta industry remain underdeveloped and what future AMPDC activities could assist Alberta film-and-video producers in reaching their full potential.

Developing an "Investment Pool"

During the next few years, a key AMPDC objective will be the development of an "investment pool" for the Alberta industry.

AMPDC promotional activities will emphasize raising the awareness of the private investment community about the quality of the Alberta industry and the investment potential of film-and-video.

In 1982 the Government of Alberta established the Alberta Motion Picture Development Corporation recognizing that film-and-video is a commercially viable industry.

In 1986 the AMPDC concludes that the Alberta motion picture industry is maturing and has a strong future ahead.

Industry Year in Review

Television

Much of Alberta's independent production is geared to the television market, so national developments can have a significant impact on the provincial industry. The establishment of the AMPDC coincided with a growth in the national television market because of Canadian content requirements and the federal government's infusing investment capital into TV production through Telefilm Canada. The 1982-86 AMPDC figures reflect these TV-market-orientation influences.

Broadcast Report:

Throughout the year the **Federal Task Force on Broadcasting** has been conducting a long overdue comprehensive study of all aspects of the broadcast industry.

(Edmonton filmmaker and broadcaster Fil Fraser, a member of the Alberta Government Task Force which resulted in the formation of AMPDC, is a member of this Broadcast Commission.)

This report and the resulting Government action on policy will affect Alberta's independent TV producers.

Broadcast Development Fund:

For the industry across Canada it was a year in which the promising new era that began with the establishment of the **Canadian Broadcast Development Fund** in 1983 culminated in over $300,000,000 in domestic independent production.

Alberta producers were able to significantly benefit from this massive amount of production financing and gain further access to the national financing facilities which have been almost the exclusive domain of Eastern producers.

Provincial Assistance Programs

Other provinces are following Alberta's **1982** *lead in establishing* **AMPDC**. *Late in 1985 the* **Ontario Film Development Corporation (OFDC)** *was established, following the formation of* **Film Manitoba** *in 1984, and the* **Société Générale du Cinéma du Québec (SGCQ)** *in 1983.*

While all this additional support will help the **Canadian industry,** *these recent broader-mandated and better-funded provincial organizations represent* **new disadvantages to Alberta producers** *in the market place, and* **additional competition to AMPDC** *with its relatively finite resources for developing projects.*

Theatrical Features

Feature Film Fund:

After extensive consulation with the industry, the **Roth-Raymond Task Force on Film,** commissioned by the Federal Minister of Communications, reported in December.

(Ken Chapman, a founding AMPDC Board member, was a member of the Task Force.)

While the Task Force recommendations were wide ranging, dealing with problems from production through to exhibition, the Government acted with dispatch on the major recommendation that financial support be increased to assist *feature film production.*

While its precise terms of reference were debated with the provincial governments on the cultural implications and with the industry on business implications, the Feature Film Fund's major thrust is to tie federal funding to Canadian distribution facilities in a manner ensuring the Canadian films will receive proper marketing in Canada.

Financial and other incentives are also to be made available to Canadian-owned distribition companies for the same purpose.

With the introduction of a **federal feature film fund,** Alberta projects will have more market options and theatrical features will no longer have to be produced and marketed as "television movies" first.

Theatrical Exhibition:

ODEON CINEPLEX, the Canadian-owned theatre chain, further demonstrated our industry's maturation by acquiring a U.S. theatre chain, making **ODEON CINEPLEX the largest in North America.**

In turn, a major U.S. studio and distribution company acquired a minority position in ODEON CINEPLEX making this chain a truly integrated international participant in film exploitation.

Expectations are that ODEON CINEPLEX will further assist Canadian independent productions to get onto Canadian and U.S. screens, thus alleviating a serious deterent to the success of the Canadian industry ...the lack of access to major markets dominated by foreign distributors and foreign-owned theatres.

Home Video

The international home video market is becoming a lucrative area. Approximately 50% of all revenues earned world wide from film distribution now comes from home video. Low-budget films, which the Alberta industry can produce, are more frequently being done specifically for this home video market.

Vice-President's Report

C.V. (Caryl) Brandt, AMPDC V.P.

Project Development

AMPDC has operated as a "bank" since the Canmore office opened in 1982. Through the AMPDC loan fund, Alberta producers have had the financial resources to 'develop' projects—completing scripts, finding financiers and pre-selling projects.

The first major AMPDC project was the feature film DRAW, starring Kirk Douglas and James Coburn. An AMPDC start-up loan of $168,000 resulted in the $4 million picture being filmed at Fort Edmonton in 1983.

Project Status

To March 31, 1986 AMPDC received 200 applications, considered 111 and approved loans for 50 projects:

- *17 theatrical features;*
- *11 TV movies (including feature-length pilots, and one-hour TV dramas);*
- *17 TV pilots and series;*
- *4 documentaries.*

The total estimated production budgets for these 50 projects is just under $109 million.

By March 1986, the first 12 AMPDC projects were completed with **AMPDC loans totalling $1.3 million.** The production budgets totalled $17 million—with an estimated **$10.4 million spent directly in Alberta.**

This first dozen are mostly television oriented, mainly because TV programs can often be produced faster than theatrical features. Secondly, both the Canadian content regulations and the (Telefilm) Broadcast Fund have encouraged projects to be for "television first". With the new Feature Film Fund, the "categories" of completed projects should be more balanced.

Market Development

Growth in the provincial industry depends on taking advantage of new markets as well as capturing more of existing ones.

The historical foundation of the Alberta industry is documentary, educational, training and industrial programs. In 1985-86 the **AMPDC** commissioned a report on the potential of this non-theatrical market for the Alberta industry.

George Christoff and Albert Karvonen, Alberta producer-distributors, prepared the report based on the Western Canada Film & Video Showcase (WCFVS)—held annually in Banff for education, library and health professionals.

AMPDC/WCFVS Report on Non-Theatrical Market Potential for Alberta

Based on budgets of N.W.T. & Western Canadian organizations, the AMPDC Report estimated the existing market for non-theatrical product to be **$2.5 million.**

Less than 5% of this amount is currently used to buy Albertan product. *The U.S. share is 58%; the public share 23% (Access, TVO, NFB & CBC); Eastern Canada 9% and other Commonwealth countries 5%.*

The report suggested ways to increase the Alberta share of this market, including rebates to users of Alberta product, promotion and a program inventory.

AMPDC works closely with Economic Development's Director of Film Industry Development, **BILL MARSDEN,** who is the provincial film commissioner and promotes the use of Alberta locations and crews by out-of-province producers.

As well, Economic Development's Location Agents—**FRANK POOLE** in London, England and **JERRY SMITH** in Los Angeles—are used extensively by both AMPDC and Alberta producers to help identify markets, financiers and potential international co-producers.

Promotion

Promotional activities can be as important as "financing" in "developing the indigenous film-and-video industry".

Successfully completed AMPDC projects are promoted to strengthen the Alberta industry's reputation and credibility—nationally and internationally.

Advertising and Promotion Activities

The AMPDC supports the Alberta industry through:

- **Advertising tools**—brochures, project catalogues and ads in trade publications—to raise the industry profile outside Alberta;
- **Promotion at marketplaces, festivals and trade forums**—to increase awareness of the Alberta industry and expand contacts; *Some events where* AMPDC *promotes Alberta's industry;* BANFF INTERNATIONAL TV FESTIVAL: *the world's only international television festival, first held in '79;* ALBERTA FILM & TV AWARDS: *sponsored by the Alberta Motion Picture Industries Association* (AMPIA); *Montreal* WORLD FILM FESTIVAL *& Toronto* FESTIVAL OF FESTIVALS: *held each fall;* NATIONAL ASSOCIATION OF TELEVISION PROGRAM EXECUTIVES (NATPE) *Conference: largest N.A. TV-program market, held annually in the U.S.A.;* AMERICAN FILM MARKET (AFM): *held in Los Angeles; MIP-TV Market and* CANNES FILM FESTIVAL: *held each spring in Cannes, France.*
- Frequent **personal contact**—by the AMPDC President with funding agencies, television networks, co-producers and financiers—to reinforce the credibility of the Alberta industry.

Developing projects will continue to be a priority for AMPDC in the future, and with the addition of the Vice-President position, promotion and advertising will receive more attention in 1986-87.

Caryl Brandt

AMPDC Board of Directors:
Rex Little, Helen Hammond, Orv Kope,
Carrie Hunter, Tom Peacocke (Terry Coles absent)

AMPDC Board of Directors

Orville Kope	• **Board Chairman,** Past V.P. Monarch Broadcasting, Medicine Hat;
Terry Coles	• President, CFCN-TV, Calgary;
Tom Peacocke	• University of Alberta Drama Department (past Chairman), stage & screen actor, Edmonton;
Helen Hammond	• Corporate Partner, Foster Research, Calgary;
Rex Little	• Chartered Accountant, Lethbridge;
Carrie Hunter	• Executive Director, Banff TV Festival, Banff.

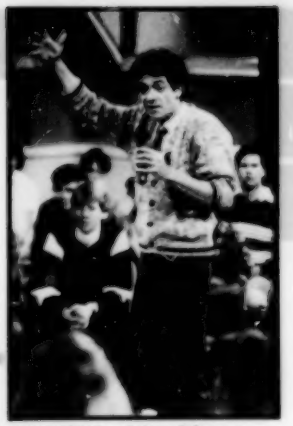
AMPDC Industry Advisory Committee

Arvi Liimatainen	• **Committee Chairman,** Producer/Director, Kicking Horse, Edmonton;
Eda Lishman	• **Past Chairperson,** (Term ended July '85), Producer, The Producers, Calgary, (WILD PONY - TV feature);
Anne Wheeler	• Award-winning Edmonton Producer/Writer/Director, (LOYALTIES - feature);
Michael Hamm	• President-Alberta Motion Picture Industries Association (AMPIA), Producer, Frame 30, Edmonton;
Pete White	• Television/Theatrical Writer, Edmonton, (STRIKER'S MOUNTAIN - TV feature/pilot);
Doug Hutton	• Producer, King Motion Pictures, Edmonton, (Term ended August '85)
Garry Toth	• Producer, HBW/Toth, Calgary, Term started August '85 (CONNECTING - TV series, Bronze '85 New York International Festival).

AMPDC Staff in Canmore

Lorne W. MacPherson	• **AMPDC President & Chief Executive Officer**
C.V. (Caryl) Brandt	• Vice-President, (Appointed November '85) Project Development & Promotion
Laurie Tiesmaki	• Accountant & Office Manager
Lynne Brockway	• Secretary-Receptionist

THE RAINBOW BAR & GRILL – Don Francks



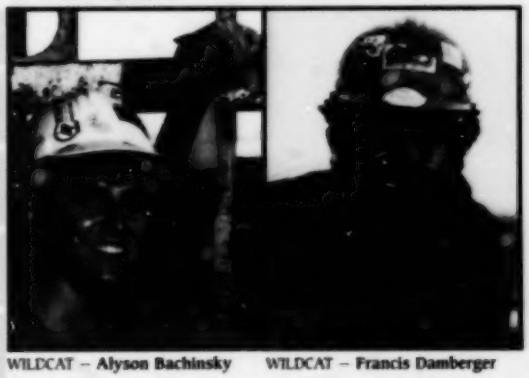
CONNECTING – **Reiner Schwarz**

LOYALTIES – Susan Wooldridge. **Tantoo Cardinal**

1982-86

AMPDC Projects Information

LOYALTIES – **Tantoo Cardinal, Tom Jackson**



WILDCAT – **Alyson Bachinsky**

WILDCAT – **Francis Damberger**

GRIZZLIES OF THE GREAT DIVIDE

RAT TAILS – **Dan Lehmann**, John Vernon

Anne Wheeler, Co-Producer – LOYALTIES

Wendy Wacko, Producer – MOUNTAIN MEN: THE CLIMB

12 Projects Completed

TV Movies (4)
[includes Feature-Length PILOTS]

Loyalties
Theatrical/TV Movie - 98 min
PILOT
DRAMA: Psychological mystery
Wheeler/Hendren Enterprises Ltd
Anne Wheeler, Producer/Director
Lauron Productions Ltd, Producers
with Allarcom, CBC & Telefilm
Writer: **Sharon Riis**

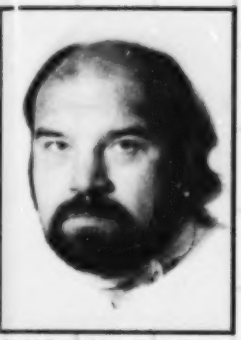
Striker's Mountain
TV Movie - 102 min PILOT
(13 X 60 min series)
DRAMA: Mountain family adventures
Wendy Wacko Productions Ltd
Wendy Wacko, Producer
with CBC, Allarcom & Telefilm
Writer: **Pete White**

Isaac Littlefeathers
Theatrical/TV Movie - 100 min
PILOT
Continuing TV Series
DRAMA. Prairie family story
King Motion Picture Corporation
Doug Hutton, Producer
Lauron Productions Ltd, Producers
with CBC, Allarcom & Telefilm

Draw •
TV Movie - 95 min
COMEDY: Tongue-in-cheek western
Holster Productions Inc. (Astral)
H. Greenburg, S. Rekant, Exec Producers
Ronald I. Cohen, Producer
• **First completed AMPDC project**

STRIKER'S MOUNTAIN – August Schellenberg, Leslie Nielsen

Peter Campbell, Producer – RAT TAILS



Arvi Liimatainen, Co-Producer – THE RAINBOW BAR & GRILL

Albert Karvonen, Producer – GRIZZLIES OF THE GREAT DIVIDE

K.D. LANG AT TSUKUBA – **K.D. Lang**

TV Dramas (2)

Rat Tails

TV Special - 60 min
DRAMA: Alberta Rat Patrol tale
The Dreamland Picture Company
Peter Campbell, Producer
with Alberta-CBC & Telefilm
Writer: **Francis Damberger**

Mountain Men

TV Special - 3 x 60 min PILOT
Feature version: **The Climb**-90 min
DRAMA: True climbing adventures
British/Canadian Co-production
Wendy Wacko Productions Ltd
Wendy Wacko, Producer
with BBC, CTV & Telefilm

Documentaries

[includes TV PILOTS]

Grizzlies of the Great Divide

Documentary - 30 min PILOT
CONFRONTATIONS WITH NATURE - 13 x 30 min
Karvonen Films Ltd
Albert Karvonen, Producer

K.D. Lang at Tsukuba

Documentary - 60 min PILOT
VARIETY: **K.D. Lang** in Japan
Robert Barclay Productions
Robert Barclay, Producer
with Telefilm

Albertans noted in boldface

TV Series (2)

Connecting *

TV Series - 9 x 30 min PILOT
(26 x 30 min)
TALK-SHOW: Youth 12-16 years
HBW/Toth Co-Productions
Helene White, Garry Toth, Producers with Alberta-CBC & Telefilm

* Bronze '85 N.Y. Festival

The Little Vampire *

TV Series - 13 x 30 min PILOT
Little Vampire II in Development
DRAMA: Children's fairy tales
European/Canadian Co-Production
Norflicks Productions Ltd
Richard Nielsen, Producer with
Allarcom* & Telefilm

* Taped ITV Edmonton, Alberta Cast

TVPilots (2)

Good Times at the Rainbow Bar & Grill *

TV PILOT - 30 min (13 x 30 min)
DRAMA: Good times at retired musician's bar
Snack Bar Film Corporation
Michael Lebowitz, Executive Producer
Arvi Liimatainen, Co-Producer
with CBC, Allarcom & Telefilm

Wildcat

TV PILOT - 30 min (13 x 30 min)
DRAMA: Oil-field family saga
Nick Bakyta, Producer
Atlantis Films Ltd, Producer
with Alberta-CBC & Telefilm
Writer: **Roy Sallows**

Garry S. Toth, Helene B. White Co-Producers – CONNECTING

Nick Bakyta, Co-Producer – WILDCAT

38 Projects in Development

Theatrical Features (17)

Brothel!
Comedy: Adult slapstick adventure
Altor Media Corporation
Don Ginsberg

Bye Bye Blues
Drama: Mom's piano-playing tale
Wheeler-Hendren Enterprises Ltd.
Anne Wheeler, Producer/Writer

The Dream Grinder
Drama: Teen fantasy adventure
Semi-Arid Productions Ltd
Dagmar Sulmanis

The Dream Horses
Drama: Period romantic adventure
Ronald Cohen Films (I') Inc
Ronald Cohen

Escape
Drama: Police intrigue & adventure
319032 Alberta Ltd
Jorge Montesi, Producer
Writer: **Peter Haynes**

Graduation
Comedy: Coming-of-age story
Mustang Film Productions Ltd
James Guberksy

Hall Alley
Drama: Adventure at a weather station
The Dreamland Picture Company Ltd
Peter Campbell

Horizon
Drama: from "As For Me And My House" novel by Sinclair Ross
Maggie's Movies Ltd
Margret Kopala

The Journey (Encore)
Drama: Romantic adventure
Francalberta Films Inc
Pierre Zimmer

The Long Take
Comedy: Making movies
Long Take Productions Ltd
James Makichuk

The Night We Stole the Mountie's Car
Drama: Based on novel by Max Braithwaite
Lawrence Hertzog Productions Ltd
Lawrence Hertzog

Poker Night
Drama: Contemporary women's tale
Kicking Horse Productions Ltd
Arvi Liimatainen

The Saint Game
Drama: Based on novel by **Cicely Evans**
Saint Game Productions Ltd
Simon Peers, Tom Dodd

The Studhorse Man
Drama: Based on novel by **Robert Kroetsch**
MoonStone Enterprises Ltd
Michelle G. Stirling, Producer/Writer

Tickets
Comedy: Lottery scam
Ticket Film Productions Ltd
Reevan Dolgoy

Unseelie
Drama: Horror-fantasy
Penworth Productions Inc
Eda Lishman

Whispering Willow (Golden Mountain)
Drama: Chinese teen adventure
324126 Alberta Ltd
Doug McLeod

TV Movies (5)
[including Feature-Length PILOTS & 1-Hour DRAMAS]

Bucks
Comedy: Rodeos & commodities
Kicking Horse Productions Ltd
Arvi Liimatainen

By Special Appointment
True Story: Queen's Canadian horse
Primedia Television Inc
Judith Crawley & Associates

Talking Dirty
Comedy: From play by Sherman Snukal
Baby Boom Productions Ltd
Michael Douglas, Richard Nielsen

This is Now
Drama: Mystery by **Sharon Pollock**
The Media Works Group
Douglas Berquist

Tinsel and Ice
Drama: Period family tale
Big Meadow Productions Ltd
Alan Simmonds

Documentaries (2)

River of Bones

Docu-Drama: history
Tinsel Media Productions Ltd
Nick Bakyta

Shooting Stars

True: Edmonton Grads Basketball Team
307012 Alberta Ltd
Allan Stein

TV Series (9)

Cree...The Last War Cry

Drama: From "The Temptations of Big Bear" by **Rudy Weibe**
Filmline (Big Bear) Productions Ltd
Michael Spencer, David Patterson

The Little Vampire II

Children: Contemporary fairy tales
Norflicks Productions Ltd
Richard Nielsen

Riders of the Savage Land

Drama: History by **Michelle G. Stirling**
Rose Films Inc
Marie-Jose Raymond

Smoke Bellew

Drama: From Jack London story
Stein/Maclean Prod & Alliance Corp
Allan Stein

Sunrise Sunset

Drama: Historical adventure
Mustang Film Productions Ltd
James Gubersky

Tel

Drama: British immigrant family
317537 Alberta Ltd
Helene B. White, Garry S. Toth

Veins of Darkness

Docu-drama: Supernatural tales
Tinsel Media Productions Ltd
Nick Bakyta

John Ware's Cow Country

Drama: Western by **Grant MacEwan**
Four Nine Film Productions Ltd
Maxine Samuels

Who Killed Sir Harry Oakes?

Drama: Historic murder-mystery
King Motion Pix/Great Oakes Prod
Doug Hutton, Rick Melling

TV Pilots (4)

Chez Burritto

Comedy: Adult strip joint
The Burlesque Picture Company Ltd
Arvi Liimatainen, Peter Campbell

Move Over

Comedy: Father & son moving company
Move Over Television Inc
Eda Lishman

The Secret of Samoa

True Tales: South Pacific
Samoa Project Films Ltd
Reevan Dolgoy

The Young Reporters

Teen: Romantic adventures
Douglas Communications Ltd
Michael Douglas

Other (1)

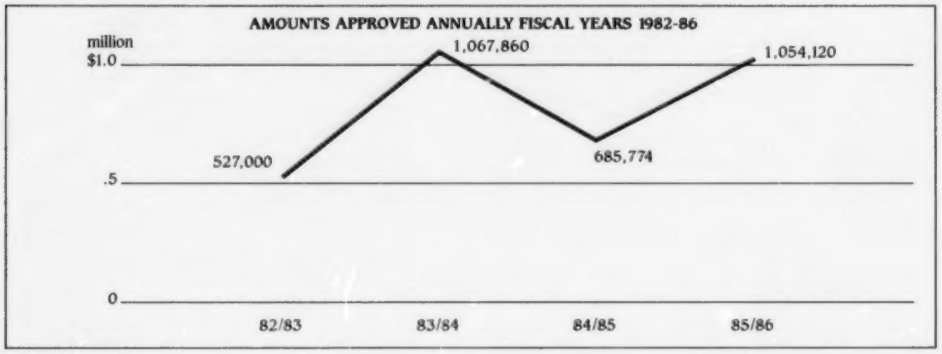
The Challenger Series

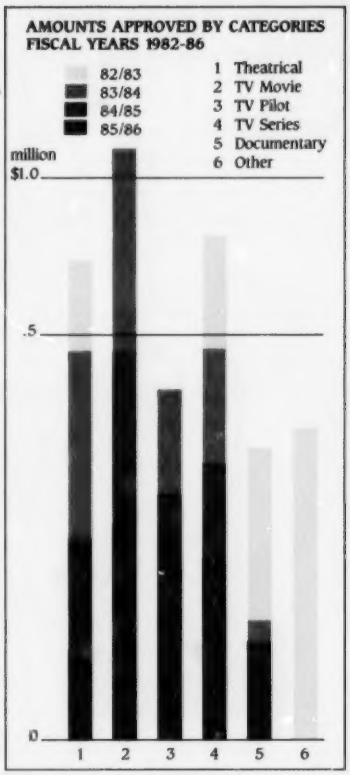
Educational: Careers
Challenger Video Production
William Kankewitt, Dr. Phillip Reed

AMPDC LOANS*/PROJECTS** APPROVED
Fiscal Years 1982-86

Project Type	1982-83	1983-84	1984-85	1985-86	Total Loans Approved*	Total Projects**
Theatrical	$ 81,000 (3)	$ 405,100 (8)	$162,860 (5)	$ 85,000 (3)	$ 733,960	(19) 17
TV Movie***	nil	420,300 (4)	294,000 (5)	418,000 (3)	1,132,300	(12) 11
TV Pilot	nil	86,700 (3)	118,910 (2)	134,450 (3)	320,060	(8) 6
TV Series	106,000 (2)	166,760 (4)	110,000 (3)	371,670 (5)	814,430	(14) 11
Documentary	80,000 (2)	9,000 (1)	nil	45,000 (1)	134,000	(4) 4
Other	200,000 (1)	nil	nil	nil	200,000	(1) 1
TOTALS	$527,000 (8)	$1,067,860 (20)	$685,770 (15)	$1,054,120 (15)	$3,334,750	(58) 50

*Represents amount approved - **not** amounts actually advanced.
Represents number of **projects approved - not number of loans approved ...
(50 Projects were approved plus 8 loan increases to make 58 Loans approved)
***TV Movie** category includes **Feature-Length TV PILOTS** and **1-hour TV Dramas**



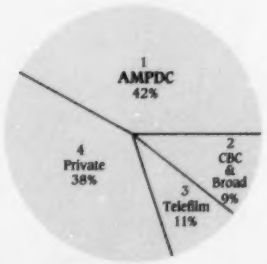


FINANCING SOURCES FOR DEVELOPMENT*
Fiscal Years 1982-86

Project Type	(#)	DEVELOPMENT BUDGET*	AMPDC	Telefilm	CBC	Other Broadcaster	Private	Production Budget
Theatrical	(17)	$1,321,290	$ 713,960	$186,100	$ 3,000	$ 40,000	$ 378,230	$ 38,150,000
TV Movie	(11)	1,064,620	242,300	82,130	21,000	292,500	426,690	16,922,000
TV Pilot	(6)	362,950	207,150	27,000	15,000	3,000	110,800	19,004,200
TV Series	(11)	1,807,140	774,430	145,000	20,000	174,100	693,610	31,672,200
Documentary	(4)	101,900	39,000	15,000	15,000	nil	32,900	990,000
Other	(1)	560,000	200,000	nil	nil	nil	360,000	1,875,000
TOTALS:	(50)	$5,127,900*	$2,176,840	$455,230	$74,000	$509,600	$2,002,230	$108,613,400
Percentage		100%	42%	9%	1.5%	9.5%	38%	

*Development Budgets only - excludes "Pilot-Production" as Development

FINANCING SOURCES for DEVELOPMENT
ALL PROJECTS 1982-86



1 AMPDC 42%
2 CBC & Broadcasters 11%
3 Telefilm 9%
4 Private 38%

FINANCING SOURCES (*including PILOT PRODUCTION and DEVELOPMENT)
12 COMPLETED AMPDC PROJECTS – to March 1986

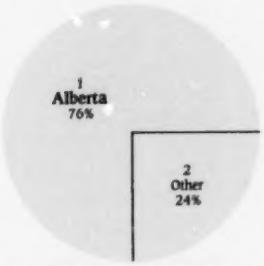
	PRODUCTION	FUNDING AGENCIES:		OTHER CANADIAN:				INTERNATIONAL		
Project Type	BUDGET*	AMPDC	Telefilm	CBC	Broadcasters	Producer	Co-Producer	Distributor		Other
TV Movie	$13,101,520	$ 993,000	$3,829,060	$1,100,000	$1,150,000	$4,296,460	$297,400	$500,000	865,000	$ 70,600
TV Pilot	773,420	180,910	301,140	192,370	55,000	34,000	–	10,000	–	–
TV Series	2,672,190	60,000	867,500	50,540	817,000	148,050	–	–	710,000	19,100
Documentary	450,000	95,000	150,000	–	–	60,000	–	–	–	145,000
TOTALS:	$16,997,130	$1,328,910	$5,147,700	$1,342,910	$2,022,000	$4,538,510	$297,400	$510,000	$1,575,000	$234,700
Percentage	100%	8%	30%	8%	12%	27%	2%	3%	9%	1%

ALBERTA BENEFIT
12 COMPLETED AMPDC PROJECTS – to March 1986

Project Type	RESIDENCE: CREW Alta	CREW Total	CAST Alta	CAST Total	WRITER Alta	WRITER Oth	DIRECTOR Alta	DIRECTOR Oth	DOLLARS: Direct DOLLARS Spent in Alta	FACILITIES USE: Studio Alta	Location Alta	Location Other	Lab (25% video) Alta	Lab (25% video) Other	Post-Production Alta	Post-Production Other
TV Movie	320	411	101	162	3	3	2	4	$ 6,956,360	nil	6	–	1	4 Ont/1 Que	2	4 Ont
TV Pilot	62	79	7	16	1	1	nil	2	$ 880,065	nil	2	–	1	1 BC	2	–
TV Series	100	114	43	51	1	1	1	1	$ 2,362,120	2	–	–	(2 video)		2	–
Documentary	15	20	4	4	1	1	1	1	$ 270,000	nil	2	1 Japan	1	(1 video)	1	1 Ont
TOTALS	497	624	155	233	6	6	4	8	$10,170,545	2	10	1 Japan	3	4 Ont/1 Que/1 BC	7	5 Ont
Percentage	80%		67%		50%		33%		(60% of Prod $*)				25% Alta		58% Alta	
	76% Alta Cast and Crew								(*$16,997,130)	17% shot in Studio	83% shot on Location		34% Ont 8% Que/8% BC		42% Ont	

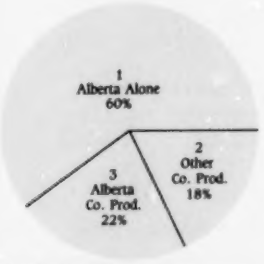
ALBERTA BENEFIT

RESIDENCE OF CAST & CREW
12 COMPLETED PROJECTS



1 Alberta Cast and Crew 76%
2 Other 24%

RESIDENCE OF PRODUCER
ALL PROJECTS

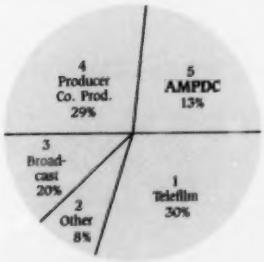


1 Alberta Producer 60%
2 Co-producer Non-Alberta 18%
3 Co-Producer Alberta 22%

RESIDENCE OF:
PRODUCER, WRITER, DIRECTOR
50 AMPDC PROJECTS – Fiscal Years 182-86

Project Type	PRODUCER: Alta Only	Co-Production Alta	Co-Production Non-Alta	WRITER: Alta	WRITER: Oth.	DIRECTOR: Alta	DIRECTOR: Oth.
Theatrical	14	1	2	13	4	6	11
TV Movie	5	3	3	7	4	3	8
TV Pilot	4	2	–	5	1	4	2
TV Series	3	5	3	6	5	3	8
Documentary	3	–	1	3	1	3	1
Other	1	–	–	1	–	1	–
TOTALS	30	11	9	35	15	20	30
Percentage	60%	22%	18%	70%	30%	40%	60%

FINANCING SOURCES for
DEVELOPMENT & PRODUCTION
12 COMPLETED PROJECTS



1 Telefilm 30%
2 AMPDC 13%
3 CBC & Broadcasters 20%
4 Producer–Co-Producer 29%
5 Other 8%

12 COMPLETED PROJECTS
INDUSTRY DEVELOPMENT

Producer Development:

Through producing theatrical features and network television programs, Alberta producers refine their entrepreneurial skills and increase their trade contacts.

National/International Profile

On some of the completed projects Albertans co-produced with other Canadian and International companies:

- Four eastern Canadian production companies (Atlantis, Norflicks, Astral and Lauron) linked up with Albertans on five projects.
- Three of the twelve projects involved international co-production commitments with West Germany, Japan, Britain and France.

Writer/Director Development:

Half of the 12 completed projects had **Alberta writers** and one-third of the projects had **Alberta directors.**

Cast/Crew Employment:

Albertans were employed in **76% of the total number of "jobs"*** on the twelve completed projects–80% of the crews and 67% of the casts.

(*"Jobs" refers to "short-term contracts" on a specific project regardless of length of employment, however in his April '84 **An Assessment of the Economic Impact of Film and Television Production, Distribution and Exhibition Activities in Manitoba,** Paul Audley calculated that $1 million in production expenditure generates 63 man-years of employment for industry workers.)

Location and Facilities Use:

The completed projects were mostly produced on location in Alberta–83%–with only 17% "in studio", and one-quarter of the productions on video.

A quarter of the film lab work was done in Alberta, 34% in Ontario and 8% in both British Columbia and Quebec.

Post-production was in Alberta (58%) and Ontario (42%).

Background – AMPDC Basics

The **ALBERTA MOTION PICTURE DEVELOPMENT CORPORATION (AMPDC)** is a private corporation funded by the Alberta Department of Economic Development in 1982 to stimulate the growth of an *indigenous film-and-video industry*.

From a $3 million fund, the **AMPDC** loans "seed money" to **commercially viable** projects that can develop the industry. Loans and loan guarantees are for up to 60% of the *development budget* to a maximum of $200,000.

AMPDC Differences

The AMPDC differs from federal and other provincial film programs in several important ways:
– The AMPDC *does not have equity funds*.
– As a **loans-for-development ONLY** fund, the AMPDC must be *repaid on the first day of the production* of a project...with one important exception.
– In the case of the *"production of a* **pilot***"* - as a part of the development of a project - AMPDC is not repaid until either first revenues from pilot-sale *or* at the start of the resulting series-production.

Main Criteria – AMPDC Project Loans

To be eligible for a loan, projects must meet a number of criteria. After **important factors like QUALITY**, the most basic are:

- **Alberta Benefit**: a producer must show that a project will contribute to the development of the indigenous Alberta motion picture industry;
- **Commerical Viability**: a producer must have a financing & marketing plan to recoup the cost of production (including the development loan);
- **Producer Risk**: to borrow 60% of the development budget, a producer must provide the remaining 40% - through the production company, co-producers, investors, distributors, presales and/or other funding agencies;
- **Producer Experience**: a producer must have a minimum of 5 years on-screen credits as a producer (or acceptable equivalent producer-related experience).

Assessment Process – AMPDC Loan Applications

Loan requests are considered **quarterly** through a 3-stage process.

1) Applications for loans and loan guarantees are first screened and evaluated at the **AMPDC Canmore office**.

2) A six-member **AMPDC Industry Advisory Committee** reviews applications, completing a 3-page assessment of each project, and makes recommendations to the Board about loans and policy.

3) The **AMPDC Board of Directors** makes the final decisions about loan applications as well as establishing policy within the AMPDC mandate.

Alberta Motion Picture Development Corporation

Box 1740, Canmore, Alberta, Canada T0L 0M0; (403) 678-2525; TELEX 03-824703

1985-86

Financial Statements

ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

Auditor's Report

To the Board of Directors of the
Alberta Motion Picture Development Corporation

I have examined the balance sheet of the Alberta Motion Picture Development Corporation as at March 31, 1986 and the statement of operations for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Corporation as at March 31, 1986, and the results of its operations for the year then ended in accordance with the disclosed basis of accounting, considered appropriate in the circumstances, as described in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

Donald D. Salmon

Donald D. Salmon
C.A.
Auditor General

Edmonton, Alberta
May 29, 1986

Balance Sheet
as at March 31, 1986

	1986	1985
Assets		
Operating Fund		
Cash	$ 19,110	$ 14,367
Accounts receivable	1,060	584
Prepaid expenses	5,835	5,730
Leasehold improvements	32,901	32,900
Furniture and equipment	78,664	73,905
	137,570	127,486
Loan Fund		
Cash	285,807	99,646
Short-term deposits	–	50,000
Loans to motion picture producers (Note 3)	1,106,537	947,967
	1,392,344	1,097,613
	$1,529,914	$1,225,099
Liabilities		
Operating Fund		
Accounts payable	$ 11,261	$ 15,339
Due to the Province of Alberta (Note 4)	14,744	5,342
Equity in fixed assets	111,565	106,805
	137,570	127,486
Loan Fund		
Due to the Motion Picture Development Fund (Note 5)	1,392,344	1,097,613
	$1,529,914	$1,225,099

The accompanying notes are part of these financial statements.

Statement of Operations
for the year ended March 31, 1986

	1986	1985
Salaries and employee benefits	$136,516	$102,421
Promotion, marketing and travel	89,458	92,327
Office rental	38,867	36,217
Professional fees	33,367	42,933
Advertising	27,524	17,113
Equipment purchase, rental and repair	20,666	10,220
Supplies and services	19,507	19,297
Honorariums—Board and committee members	11,485	17,306
Telephone	11,004	12,725
Other	4,910	4,896
	$393,304	$355,455
Contribution by the Province of Alberta (Note 4)	$393,304	$355,455

Notes to the Financial Statements
March 31, 1986

Note 1 Authority

The Alberta Motion Picture Development Corporation operates under the authority of the Motion Picture Development Act, Chapter M-19.1, Statutes of Alberta 1981, which expires on March 31, 1989.

Note 2 Significant Accounting Policies

a) Basis of Accounting

These financial statements have been prepared in accordance with generally accepted accounting principles except that no amortization or depreciation has been provided on leasehold improvements or furniture and equipment as these assets are charged to operations in the year of acquisition and are shown on the balance sheet at cost with the offsetting credit to equity in fixed assets.

b) Fund Accounting

The Alberta Motion Picture Development Corporation receives funding from different sources. It is the Corporation's policy to keep these funds segregated by purpose and to report the assets and liabilities of each fund separately on the balance sheet. The two funds are:

i) an operating fund which receives operating grants from the Department of Economic Development and Trade of the Province of Alberta to pay the operating expenses of the Corporation.

ii) a loan fund which receives advances from the Motion Picture Development Fund, interest earned on loans to producers and bank interest earned on unutilized advances. These amounts are used to make advances to motion picture producers.

c) Changes in Financial Position:

A statement of changes in financial position is not provided as disclosure in these financial statements is considered to be adequate.

Note 3 Loans to Motion Picture Producers

These loans are limited to 60% of the total funds required for the pre-production stage of motion pictures.

	1986	1985
Loans and interest due from producers at beginning of year before allowance for non-recovery	$1,626,969	$ 806,855
Add:		
Loans advanced in year	872,461	693,040
Interest earned in year	219,819	136,962
	2,719,249	1,636,857
Deduct:		
Loans repaid by producers	88,375	1,461
Interest received	23,316	1,442
Loans and interest written off	39,945	6,985
	151,636	9,888
	2,567,613	1,626,969
Deduct:		
Allowance for non-recovery of loans and interest	1,461,076	679,002
Loans and interest due from producers at end of year	$1,106,537	$ 947,967

The allowance for non-recovery of loans and interest is determined:

- by management's ongoing assessment of the ability of the motion picture producers to obtain financing to cover the full cost of producing the motion pictures and to repay the loans, and
- by applying a formula which in management's opinion reflects the high financial risks faced by producers and financiers during the pre-production stage of making motion pictures.

Note 4 Due to the Province of Alberta

Operating expenses of the Corporation are paid by the Province of Alberta. The unexpended portion of the Province's contribution and the interest earned on the operating advances are due to the Province.

	1986	1985
Balance at beginning of year	$ 5,342	$ 21,111
Cash received during the year	400,000	338,888
	405,342	359,999
Operating expenses for the year	393,304	355,455
	12,038	4,544
Sundry adjustments	2,706	798
Balance at end of year	$ 14,744	$ 5,342

Note 5 Due to the Motion Picture Development Fund

	1986	1985
Due to the Fund at beginning of year before allowance for non-recovery	$1,776,615	$ 984,966
Add:		
Advances in year	995,000	643,000
Interest earned in year on loans to producers	219,819	136,962
Other interest income	6,525	18,672
	2,997,959	1,783,600
Deduct:		
Repayments of advances by the Corporation	104,594	—
Loans and interest due from producers written off	39,945	6,985
	144,539	6,985
	2,853,420	1,776,615
Deduct:		
Allowance for non-recovery of loans and interest due from producers	1,461,076	679,002
Due to the Fund at end of year	$1,392,344	$1,097,613

At its inception, the Fund was advanced $3 million which, together with interest thereon, is available to the Corporation for making loans to producers. Loans written off by the Corporation together with the allowance for non-recovery, reduce the liability of the Corporation to the Fund.

At March 31,1986, there was a balance of approximately $1.85 million remaining in the Fund which was available to the Corporation for making loans to motion picture producers.

Note 6 Commitments

Operating Fund:

Effective August 1, 1982, the Corporation signed a five year lease for office accommodation in Canmore, Alberta. The lease has a four year renewal term and a minimum annual rent of $36,810.

Loan Fund:

At March 31, 1986, the Corporation was committed to making loan advances of $614,203 to motion picture producers.

Note 7 Comparative Figures

The 1985 figures have been reclassified where necessary to conform to 1986 presentation.

Note 8 Approval of Financial Statements

These financial statements were reviewed by management and recommended for approval by the Board.